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NORTH AMERICAN LOGISTICS

INC.

28144 West Industrial Avenue
Barrington • IL • 60010

ORIGINAL

Phone (847)842-7447
Fax (847)842-0190

January 12, 2004

Secretary, Federal Maritime Commission
800 North Capitol Street
N.W., Washington, D.C. 20573-0001.

RE: Tariff-filing requirements and service-contracting prohibition of the Ocean Shipping Reform Act

It is my understanding that the Federal Maritime Commission (FMC) is considering a petition to exempt NVOCC's from the present requirement to establish, publish, maintain and enforce tariffs setting forth ocean freight rates.

I would encourage the Commission to approve this exemption. The tariff filing rules serve no useful purpose in today's global marketplace. There may have been a valid reason for tariff filings when the regulations were established. Times have changed. We have moved toward a global economy, shippers have become sophisticated and it is time to update regulations so they correspond to today's commercial realities.

- I have been associated with the NVOCC business for about 25 years. During that time I have personally met with hundreds of customers and filed thousands of tariff rates. Not once has a customer ever inquired about rates on file with the FMC. The shipping public, for the most part, is not familiar with the FMC and clearly is not familiar with rates filed in tariffs.
- Millions of dollars are spent on rate filings. This is a waste of both private sector funds and taxpayer funds. NVOCC companies devote significant resources (employees, computer systems and payments to tariff bureaus) to file rates that are seldom, if ever, accessed by the shipping public. Taxpayers lose because present regulations require the FMC to maintain rate filing systems and compliance/enforcement staffs for information which though in the public domain is not accessed by the public. Why spend millions of dollars to accumulate and regulate information that is basically archived, never used and serves no public or commercial purpose?
- The shipping public would be better serviced by eliminating unnecessary regulatory requirements and associated costs. As the NVOCC industry consists of thousands of small and medium size companies, reduction of administrative costs achieved through relaxation of unnecessary regulatory requirements would eventually "trickle down" to the shipping public via lower costs.
- Since 9-11, NVOCC's have had a significant amount of added costs associated with C-TPAT and 24 hour advance manifest filing requirements. The administrative costs incurred by both the private and public sectors for these programs are worthwhile and serve a very useful purpose; keeping our nation safe. Again, as times change and new regulations are implemented to reflect a changing environment, perhaps some balance can be achieved by "sun setting" antiquated regulations such as the tariff filing requirements which no longer serve any meaningful purpose.

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- President Bush advised that small businesses are the economy's economic engine. Unnecessary regulations, such as the requirement for tariff filings, unduly burden the small businesses that are integral to our economic success.
- Many of the anti trust and tariff filing requirements benefit foreign owned steamship lines. The FMC is as USA government agency and should not use its regulatory authority to benefit foreign businesses to the detriment of small and medium size USA business and the shipping public.

I hope that you consider these comments in the positive manner in which they are intended. I encourage the FMC and its Commissioners to both suspend NVOCC tariff filing requirements and permit NVOCC's to enter into service contracts. This would have the beneficial effect of increasing competition for the shipping public and benefit small to medium size businesses by reducing administrative costs for NVOCC's.

Sincerely,


Tim Cummings